at age 20 and you start setting aside some of your own payroll taxes in a reasonable rate of return, you're going to watch that money grow. And it's your asset, and the Government can't spend it on what they want, and they can't take it away, and you can pass it on to whomever you choose.

And let me tell you something about personal accounts. It was such an attractive idea that the United States Congress said as part of their retirement plan, they're going to let Members of the United States Senate or House of Representatives take some of their own money and set it aside in a personal account. And my attitude is this: If personal—voluntary personal savings accounts are good enough for the Members of the United States Congress, they're good enough for workers all across America.

And so here's a way forward, a way to encourage economic security and smart ways to make sure this economy continues to grow so people can realize dreams. That's really what Government ought to do. It ought to create that environment in which people are able to realize dreams and own a home and own your own business, own and manage your own retirement account. I love the idea of an ownership society. The more people own something in America, the better off America is, as far as I'm concerned. The more people own—the more assets people own, the more independent Americans are. They feel confident about the future. And I'm confident about our future. I don't think there's any problem we can't solve when we put our minds to it.

Things are going fine right now. But my job is to keep looking down the road. My job is to figure out how to keep this economy growing. My job is to get Congress to do—make wise policy so the entrepreneurial spirit is strong, so people can realize dreams, so this country remains the great beacon of hope that it has been in the past.

I want to thank you for giving me a chance to come by and visit with you. May God bless you and your families, and may God continue to bless our country.

NOTE: The President spoke at 10 a.m. In his remarks, he referred to Michael J. Wallace, president, Constellation Generation Group; and Adm. Frank L. "Skip" Bowman, USN (Ret.), president and chief executive officer, Nuclear Energy Institute.

Remarks in a Discussion on Strengthening Social Security in Silver Spring, Maryland

June 23, 2005

The President. Thanks for the warm reception. Ben, you always draw a good crowd. [*Laughter*] He claims he went to this high school.

Ben Stein. I did—class of '62.

The President. Yes, pretty soon you'll be receiving a Social Security check.

Mr. Stein. I hope so. I hope my son and my grandchildren will too.

The President. Listen, thank you all for giving us a chance to come and visit with you about Social Security. Before I begin, I do want to thank Laurie Checco, who is the business manager at Montgomery Blair High School. Thanks for letting us come by. I appreciate you opening this beautiful facility.

I want to thank Mark Mackey and Linda Hollands, who are part of the National Retirement Planning Coalition for sponsoring this event. It's important that there be an open dialog about Social Security, the problems inherent with Social Security, and the opportunities to fix Social Security. And that's why I've come today. So thank you all for sponsoring this.

You know, some in Washington wish I hadn't brought it up. [*Laughter*] They say, "Why would you bring up Social Security? I mean, after all, we might have to run for election." [*Laughter*] "Why would you bring up such a difficult topic?" And the answer is because I see a problem, and I believe my job is to address problems and not pass those problems on to future Presidents, future Congresses, or future generations. And here's why I see a problem.

Before I describe the problem, I do want to congratulate one of my predecessors, Franklin Roosevelt, for doing something really smart and really wise, and that is setting up a safety net for retirees. Social Security has worked. It's been a very important part of a lot of people's lives.

And the first thing I want to say to those who receive a Social Security check today: Nothing changes for you; you're in good shape. The system is solvent for people receiving a check. The reason I say that is because I understand how politics works. You see, the surest way to stop something from going forward or stop a dialog or stop reform if reform is needed, is to scare people. And in the past, people have used the Social Security issue to scare seniors. They say, "Old George W. gets elected, you're not going to get your check," or, "If this goes through, you're not going to get your check." You know, that's kind of shameless politics.

And so I'm spending a lot of time not only describing the problem but assuring seniors that no matter what the rhetoric is coming out of Washington, you are going to get your check. So you need to tell your grandparents, they're going to get their checks. All of us, whether you're Republican or Democrat, know how important this program is to a lot of seniors around the country. The question is not whether the seniors will get their checks. The question is whether younger Americans will be able to have a safety net, a retirement system just like today's generation gets.

And here's why we have a problem. There's a lot of people like me getting ready to retire. [*Laughter*] In my case, I reach retirement age in 2008, which turns out to be a fairly convenient date. [*Laughter*] Get it? [*Laughter*]

About 70 million-plus of us are getting ready to retire. You're so old, you don't even qualify as a baby boomer. [*Laughter*]

Mr. Stein. Thank you, Mr. President.

The President. No, don't worry about it. [*Laughter*]

There's now about 40 million retirees. So you get a sense of the problem. In other words, a whole bunch of people are getting ready to retire, and we're living longer than the previous generation, and we've been promised greater benefits than the previous generation.

And so you've got a lot of people getting ready to retire who have been promised greater benefits. The problem we have is that there are fewer people paying into the system. In 1950, there were about 16 workers for every beneficiary. Today, there's 3.3 beneficiary—workers for every beneficiary. Soon there will be two workers for every beneficiary. You've got a lot of people living longer, getting greater benefits, with fewer people paying for us. And the system, as a result, starts going into the red when the baby boomer generation begins to retire.

As a matter of fact, it starts going into the red in 2017. I know that sounds like a long time for people in Washington. It's not very long if you're entering the workplace. In other words, you're paying into a system that starts going broke in 2017, into the red. And every year thereafter, after 2017, the problem gets worse. In 2027, it's $200 billion in the hole. In 2030, it's $300 billion in the hole.

See, Social Security is not a trust. It's a pay-as-you-go system. You pay, and we go ahead and spend. You pay payroll taxes. You work hard. You put payroll taxes into the system, and the Federal Government spends your payroll taxes on retirees. And with money left over, it goes for Government programs. And all that's left is a file cabinet of IOUs. In other words, some think that we're taking your money, and we're holding it for you, and then we're going to give it back to you when you retire. That's not the way it works. It's a pay-as-you-go system, and the pay-as-you-go system starts going into the red. And it gets worse and worse and worse.

As a matter of fact, every year we wait, it's going to cost us $600 billion to fix it—$600 billion a year to fix it. In other words, the longer we wait, the harder it is for me to be able to look at younger Americans and say, "The money you're putting in the system is going to be there for you."

Now, if you're older, you're going to get your check. If you're born prior to 1950, you're fine. If you're a younger American, you need to pay attention to this issue. I think this is a generational issue. Grandmothers and granddads have nothing to worry about. Their grandchildren have got a lot to worry about.

My strategy has been to travel the country saying, "We've got a problem." I think pretty well most Americans now understand we do have a problem. And the reason I knew that was the first step that needed to be taken is because I have confidence that once people realize there's a problem, then they'll ask their elected Representatives to do something about it. And I was pleased to see some Members, Republican Members of the House and the Senate have started laying out ideas. I've been laying out ideas.

I think it's time for the leadership in the Democrat Party to start laying out ideas. See, the American people expect those of us who've come to Washington, DC, to negotiate in good faith on behalf of the people. If there's a problem, people ought to say, "Here's what I'm for," not what they're against. People ought to be willing to step up and lead, as opposed to playing partisan politics. That's what the people want.

I believe future generations ought to receive benefits equal to or greater than the previous generation. I like the idea that has been put on the table by a Democrat economist named Pozen. It's called progressive indexing. It says if you're the poorest of Americans or lower income Americans, you get your benefits calculated by wage increase. If you're the richest Americans, top 1 percent, you get your benefits calculated by inflation, increase of inflation. In other words, everybody's benefits go up. The wealthier people's benefits will go up slower than the poorer benefits. And in between, there's a scale. That's called progressive indexing. It basically says we can make a commitment to poor Americans that if you've worked all your life, you're not going to retire into poverty. I like that idea. I think that makes a lot of sense. This progressive indexing solves—permanently solves most of the problems in Social Security. It doesn't solve it all, but it permanently solves most of the problem.

And there are other ideas on the table. I asked people to bring them forth. "You've got a good idea, step up with it. I'm more than willing to listen." What I'm not going to listen to is this partisan bickering in Washington, DC. People really expect us to do different. They expect us to think differently and act differently when you see a problem, and we have a problem.

I've got another idea that we're going to discuss today. It's an idea that some feel uncomfortable about—I understand that—but I think it's certainly worth the dialog. And that is, on the one hand, we ought to permanently solve the solvency issue for Social Security so I can—we can—all of us involved in politics can look at younger workers and say, "You're fixing to pay into a system that will not only take care of baby boomers like me, but there will be a retirement system for you."

I also think we ought to make the system a better deal for younger workers, and that means giving younger workers the option, the ability, if they so choose, to take some of their money—after all, it's your money in the payroll taxes—and set it aside in what we call a voluntary personal savings account. It's an opportunity—I like the idea of giving somebody a chance to build a nest egg that the Government can't spend. In other words, remember the—what you have left in the Social Security system today is a file cabinet with IOUs in West Virginia. I actually went and saw the file cabinet, and I'm proud to report the paper is there. [*Laughter*]

I like the idea of encouraging people to own assets that they get to manage. It makes economic sense. If you're a younger worker and you realize that we're taking your money and we're putting it in a system that may not be around for you, you ought to demand change. But let me tell you what else we're doing. We're taking your money and putting it into a system that's yielding about a 1.8 percent return. That's a lousy deal.

So I think you ought to be allowed to take some of your money, set it aside in a voluntary personal savings account so you can invest in bonds or stocks—bonds and stocks, whatever you so choose. You can't put it in the lottery, by the way. There will be gobys. In other words, the Government is going to say, "We're not going to let you take it to the track. We're not going to let you take wild risks." People do this all the time, by the way, and they get a better rate of return than 1.8 percent. And if you can get a better rate of return than 1.8 percent, that compounds over time. And it's that compounding of interest that helps create wealth and security in retirement. The voluntary personal accounts will complement that which is available to you through the Social Security system. But you're going to get a better deal on your own money than in the current system.

I like the idea of people having assets that they can pass on from one generation to the next. I reject this notion that the investor class is confined to only a certain group of people. I think investors ought to be around—[*applause*].

And finally, I believe this idea ought to be debated because the system is not fair, in this sense. If you're a spouse and your other spouse—if you're a husband and your wife works or you're a wife and your husband works, and you're both contributing in the Social Security system, if one of you dies early—if you die before 62, what you get is you get a burial benefit from the Government. In other words, you've been working all your life; you're putting money in the Social Security system—both of you have been—one of you dies early, and the Government says, "Here, fine, here's a burial benefit." And then when you get to retirement age, you get to choose. You get to choose the benefits of your spouse or your own benefits, whichever might be higher, but you don't get both.

Think about that. So you've got two folks contributing into the system; one dies early. And by the time the survivor reaches retirement age, he or she gets to say, "I either get my spouse's benefits or my benefits, but not both." In other words, one of—the deceased spouse has contributed to a system, and the money has just gone away. That's not fair. It's not fair to say to working people, "Work all your life, and the money you've contributed is not around if you happen to die early." It's not fair to the spouse. It's not fair to the family.

If we allow younger workers—if they so choose—to take some of their own money—now, remember, I keep saying, "if they so choose"—to take some of their own money and set it up in an asset that grows over time, if that were to happen, if somebody were to die early, at least there's an asset to pass on to help the spouse.

See, the system is not fair today. It's not fair for younger workers to know it's going broke, and you have to contribute into it. It's not fair for people living today, who worked in their system all their—paid into the system, and there's not an asset upon death, early death. It's not right. And I think now is the time to get something done.

By the way, the idea of voluntary personal savings accounts is not new. You're going to hear from some young investors. Investing is not new. It's new for older people. You know, when we grew up, there wasn't 401(k)s or IRAs. These are relatively new concepts. I bet there was no 401(k)s when you grew up. You look like a baby boomer. [*Laughter*] Yes, okay, you.

But the idea of, you know, saying if you work for the Government, you can take some of your own money and put it aside in a voluntary personal savings account isn't new in Washington. I don't know if you know this or not, but the Federal Thrift Savings Plan—see, that's the plan that the Congress set up for themselves and people who work in the Federal Government—it says if you want to, you can set aside some of your own money in a mix of bonds and stocks.

And so my attitude is—to folks around the country is, if it's a good idea for Congressmen and Senators, in other words, if they think it's a good enough idea for themselves, it ought to be a good enough idea for workers all across the country.

Anyway, I see a problem. I'm willing to talk about solutions. I'm looking forward to working with both Republicans and Democrats to get the job done. And I want to thank our panelists for joining us to help make some very important points. See, this is an education process we're going through. People have got to be educated. There's a lot of messages getting out there on the TV screens—you know, people saying this and people saying that. Once people understand there's a problem, once the grandmothers and granddads understand they're going to get their check, they can relax. Then they're going to start asking people who have been elected to office, "What are you going to do about my grandkids?"

You don't have a grandkid yet, do you?

Mr. Stein. Thank God, our son is only 17. [*Laughter*]

The President. Well, that's good. You went to high school here?

Mr. Stein. I went to Montgomery Blair High School, class of '62. The best class ever.

The President. Really? That's good. [*Laughter*]

Mr. Stein. I'm concerned about it. I'm extremely concerned about it.

The President. You've been talking about it for a while.

Mr. Stein. I talk about it—I represent two groups. I represent the National Retirement Planning Coalition, which helps people plan for retirement. And I'm also representing for the gangstas all across the world—[*laughter*]—hidden corners in them low-lows girl. [*Laughter*] That's rap music, Mr. President. [*Laughter*]

The President. Yes. [*Laughter*]

[*At this point, Mr. Stein, economist, lawyer, actor, and writer, made further remarks.*]

The President. I'll tell you an interesting story. I was at an automobile plant in Mississippi, and I——

Audience member. [*Applause*]

The President. There you go. [*Laughter*]

Mr. Stein. He's from Mississippi.

The President. Yes, okay, two of you. [*Laughter*] And I was with the line workers. And I said, "How many of you all have 401(k)s," in other words, "How many of you are managing your own money?" And I bet 90—I didn't count, but a lot, 90 percent of the hands went up. These are people from all walks of life, all income groups. It's amazing how quick you become financially literate when you're watching your own money, in other words.

But let's talk about financial literacy, and let's talk about this notion of risk. Let's talk about whether or not a person who is nervous about stocks and bonds has the capacity to absorb all these fancy words you're talking about.

Mr. Stein. But they're not—they turn out not to be fancy words.

The President. They sound fancy.

Mr. Stein. Well, it isn't fancy. [*Laughter*] A stock is a share in ownership of a corporation. A broad index of stocks is a share in hundreds, thousands of corporations. And the values of those investments will fluctuate from year to year. But over long periods of time, they will do incredibly well. I mean, here's a statistic—I know you don't like statistics.

The President. No, I like them, yes, particularly when they help make the point. [*Laughter*]

Mr. Stein. But over any 20-year period in the last 100 years, a person who bought the broad index of the Standard & Poor's 500, the largest 500 corporations in America, would not have lost money, and his average return would have been 10 times his money. That is so much more than Social Security, it's insane. Over a 25-year period, the average return is more than 20 times his money. And there's been no 20-year period in the last 100 years when a stock market investor would have lost money. So there will be fluctuations from year to year, but over long periods of time, investors in stocks through mutual funds, exchange-traded funds, variable annuities will come out way, way, way ahead of the game, wildly ahead of the game.

The President. A lot of people—I hear, you know, I hear these people saying, "Well, all they want to do is let Wall Street get rich."

Mr. Stein. They're already rich. [*Laughter*]

The President. All right, richer. In other words, I think one of the things people have got to understand—and perhaps you can help on this one—is that there will be negotiated fees on behalf of the people. In other words, you're not going to get gouged. I think that's a convenient red herring.

Mr. Stein. Yes, the usual fees on these things, especially if you're a careful shopper and especially under your plan, are going to be extremely minimal. I mean, fees for many of these things are close to zero. And Wall Street is not going to get rich off this. They're already rich. They don't need the money. The person who needs the money is the person Ben or Brian's age who is going to get in at the age of 20 or 21 or 22 or 25 and is going to let compound interest do all the heavy lifting for him. If you get in, in your 20s, by the time you're in your 40s, you're set.

The President. Compound interest—some people many not know what that is.

Mr. Stein. Well, compound interest means you earn interest, and then you earn interest on the interest. And if you let that work for you in the stock market for 20, 30, 40 years, even if you're just putting a small amount away each month, you're going to have a much more comfortable retirement than you ever dreamed of having. If you start when you're in your 40s or 50s, the problem doesn't get solved. If you start when you're 20, it does get solved. And that's sort of exactly what we're talking about with your Social Security plan. If we start now, it's going to be easy to solve the problem. If we wait until the system is already broke, it's going to be incredibly difficult and expensive to solve the problem. Why not do it now, when it's easy?

The President. See, the idea is to say to younger workers, "Instead of putting money into a bankrupt system or a system that will be bankrupt, we're going to, one, permanently solve the problem and, two, give you a better deal by letting you watch your own money grow, investing in a safe mix of bonds and stocks that will compound over time."

Wendy Merrill is with us. Should we turn to Wendy?

Mr. Stein. Yes, absolutely.

The President. Wendy, where are you from?

Wendy Merrill. Good morning. Thanks for having me.

The President. Where are you from?

Ms. Merrill. I'm from Reisterstown, Maryland——

The President. Reisterstown, very good.

Ms. Merrill. ——which is near Baltimore.

The President. Great, thanks for coming over.

Ms. Merrill. Thank you, my pleasure. I'm 32 years old, and I——

The President. You don't look a day over 21.

Ms. Merrill. Oh, aren't you sweet. Thank you.

The President. Oh, you know how we politicians are. [*Laughter*]

Ms. Merrill. I have two family members with me today. I wanted to say hi to my husband Stephen and my father Neil are in the audience with us today.

The President. Thanks for coming, yes. Say hello to them after the event?

Ms. Merrill. Yes.

The President. Good, thank you.

Ms. Merrill. And I have been in the financial services business for 10 years. I'm an insurance broker. I work with my family's insurance agency. And I'm a big fan of these personal accounts.

The President. Right.

Ms. Merrill. I think it's a great solution to the problem. I am a member of—I'm a little older than these guys over here, but I'm definitely a member of the generation that was taught that I couldn't count on Social Security for my retirement. For that reason, ever since I joined the workforce, I've been saving in 401(k)s and IRAs and really taking charge of my own future, which is what I advise my clients to do as well, when we discuss retirement planning. I just tell them, you know, "Don't count on Social Security," unless it gets fixed, of course.

The President. That's kind of sad, isn't it? Excuse me for interrupting. You've got younger Americans saying, "Don't count on Social Security." I guess the word is getting out, slowly but surely, we've got a problem with Social Security, to the point where you've got some people saying, "Don't count on it." As a matter of fact, I saw a survey where it said younger workers feel like they're more likely to see a UFO than get a Social Security check. [*Laughter*] Excuse me for interrupting.

Ms. Merrill. No problem. I agree. I mean, I——

The President. It is amazing that we sit here in Washington not getting anything done knowing that you've got younger Americans not thinking they're going to see a check on Social Security. That's the wrong kind of politics.

Sorry, go ahead.

[*Ms. Merrill, director of business development, Insurance Designers, Inc., made further remarks.*]

The President. Well, that's exactly the concept that I'm asking Congress to think about. One of things that people have got to understand is like in the Federal Thrift Savings Plan, there is—the options are relatively limited. In other words, you can't go out and create your own notion about what you want to invest in. The Government says, "Here, if you want to take some of your own money, here's a variety of options" and, you know, mainly bonds, mainly stocks, a mix of bonds and stocks. And the truth of the matter is, when you're younger, you may want to take a little risk. I presume you say to younger people, "Take a little risk." When you're older, kind of——

Ms. Merrill. Absolutely. I mean——

The President. ——crank down on the risk.

Ms. Merrill. ——it's always on an individual basis, obviously. But younger people can definitely afford to take more risk, and compound interest works for you. And you're better off putting a dollar in yesterday as opposed to two dollars tomorrow, because of that.

The President. Yes. Good. Well, thanks for coming.

Ms. Merrill. My pleasure.

The President. Appreciate you being here.

Brian Smart.

Brian Smart. Yes, sir. How are you?

The President. Feeling pretty good, yes. [*Laughter*] How about you?

Mr. Smart. Good, good.

The President. Good, thanks for coming. I understand you just got a job?

Mr. Smart. Yes, which my parents—mom and dad and sister——

The President. They must be thrilled, yes. [*Laughter*]

Mr. Smart. They were very happy about—very happy.

The President. Well, congratulations. And you paying payroll taxes yet?

Mr. Smart. Yes.

The President. Yes, you are.

Mr. Smart. Yes, a lot of them.

The President. More than you realized, right?

Mr. Smart. It's a scary thing. I mean, I graduated from Radford University. I graduated this December, so relatively new, and got a job. And I'm out there making money, and this is kind of something that's come up to my attention that it's not going to be there. And it's something that really bothers me.

The President. Like that bite out of the check, first time that happened, got your attention?

Mr. Smart. Well, I mean, it's got my attention previously. But it's something that I'm realizing now that—and I'm not doing anything. I'm paying into something that I can't even use, and there's nothing I'm going to be able to do with it when I retire.

The President. Yes, see, it's kind of a sad thought, isn't it? The Government now—has got a system now that has evolved away from something that worked really well. Franklin Roosevelt created something that worked well—working well when there's 15 workers for every beneficiary. And slowly but surely over time, as a result of demographic change, promises we made, we cannot keep. You got a 23-year-old guy, got his first job, saying he's nervous about the system.

Government ought to—Government at the very minimum ought to earn the trust of the people. He trusts—[*applause*]. Keep going.

Mr. Smart. Well, I mean——

The President. So have you been paying attention to this issue when you were at college?

Mr. Smart. A little bit.

The President. Tell me the truth.

Mr. Smart. No—to be honest, no, I haven't. [*Laughter*] But I mean, it's something that to me I've seen firsthand with my grandmother. She's retired, living the life I'd love to live. You know, she—her and my grandfather invested wisely when they were young, in stocks. And right now she's basically living off her dividends. She doesn't count on Social Security——

The President. Yes.

Mr. Smart. ——which is something that scares me because she's already at retirement.

The President. Right.

Mr. Smart. Something I have 40, 50 years before it even—I even start drawing Social Security.

The President. Well, your grandma made some—and grandfather—made some wise choices. There's some people in this country, that's all they depend upon is their Social Security check. And it's really important that those folks know that they're going to continue to get their check. There are a lot of people that the only check they live on is the Social Security check, which as you can imagine, when they start hearing people talking about reforming the system, they're really thinking, "Well, maybe my check is going to go away," and people have got to know it's not. It's just not going to go away. Government will never do that to people. But I'm not so sure you're going to have a check.

Mr. Smart. And that's something, as a 23-year-old person who's paying into Social Security now, really scares me.

The President. I hope so.

Mr. Smart. Because I don't—I mean, I don't know enough. I don't really know enough right now to try to make a decision. And I'm hoping you can guide me in the right direction——

The President. That's it.

Mr. Smart. ——and tell me this is what you need to do.

The President. Well, all right, I'll tell you. I'll give you a hint. In 2041, the system goes bankrupt. That's not very long.

Mr. Smart. I know.

The President. It's long for me and old Ben. That seems like ages, doesn't it?

Mr. Stein. That's a long time.

The President. Yes, but not for him.

Mr. Stein. No, not at all.

The President. Do you remember when you were 23?

Mr. Stein. Extremely vividly. I remember when I was here at Blair High School at 17 and 16. But you know, his grandparents hitched their wagon to a star, which was the star of investing in stocks and bonds, and it worked incredibly well. The idea of allowing all Americans, not just well-to-do or even upper middle class ones, to hitch their wagons to that star makes total sense. Why should we say to the ordinary citizen, "Look, because you're not rich, you can't get in on the same kind of investment opportunities that rich people can get in on." Let's let everybody get in on it. Let's let everybody get a chance to make some real money.

The Standard & Poor's Index compounded at a rate—I know you don't like statistics—but 14 percent a year from 1926 to 2004. If you could have your Social Security or even a quarter of it or a fifth of it compound at that rate instead of at 1.8 percent a year, the difference would be astronomical—astronomical.

The President. Yes, I do like statistics. [*Laughter*]

Mr. Stein. Okay, sorry. [*Laughter*]

The President. Just not too many of them.

Mr. Stein. Okay. [*Laughter*]

The President. What I like more—even more than statistics is the notion of an ownership society. We want more people owning something.

You know, Brian said something interesting—he basically turned—he said, "I hope you old guys fix it." And we have an obligation to fix it. I think there's a lot of younger folks sitting around saying, "Well, I'm—one, I either don't care; I'm not paying attention to it," when they start paying attention to it, realize there's a problem, and they're going to say, "Well, you know, surely the people we sent to Washington will do something to permanently fix it. Surely, there's enough goodwill in the Nation's Capital that people will set aside their political parties and come together and permanently solve this problem. Surely, they're not going to let us pay money into a bankrupt system."

I hate to tell you, unfortunately, some are playing politics in Washington. But we're going to keep working it and keep working it and keep calling upon the people.

Go ahead.

[*Mr. Smart made further remarks.*]

The President. Like when you were sitting in the library, reading all those books, did you ever think about sitting on the stage with the President? [*Laughter*]

Mr. Smart. No, not at all.

The President. How about the library part? Was that fiction? [*Laughter*]

Mr. Smart. Fiction. [*Laughter*]

The President. I know what you mean. [*Laughter*]

Ben Ferguson.

Ben Ferguson. Howdy. I'm not one of those two Mississippi guys.

The President. You are from Mississippi? Where?

Mr. Ferguson. Well, Memphis, but I go to school at Ole Miss.

The President. Oh, Ole Miss. Very good, yes. [*Applause*]

Mr. Ferguson. There we go. I'm glad there's one.

The President. So why are you here? Come all the way from Ole Miss.

Mr. Ferguson. I got together with some students who started an organization called Students for Saving Social Security——

The President. Really?

Mr. Ferguson. ——because we realized that basically our second chance at Social Security, the only chance we ever have to have this, is if it gets fixed and we get our personal accounts. That's the only way we're going to get it. We know it's not there. We know we're paying someone money that we're not going to see, and so we need our second chance. And that's the only way we're going to get it. I mean, besides if we win Ben Stein's money, but he told me there's not enough. [*Laughter*]

The President. Pretty good line.

Mr. Ferguson. Yes.

The President. So how did you get involved in the Social Security issue? It's a— it's pretty interesting that you would pick up on the issue and decide to do something about it.

[*Mr. Ferguson, communications director, Students for Saving Social Security, made further remarks.*]

The President. You're on a roll. Keep going. [*Laughter*] See, I've got a little—one of the dynamics of this issue is the people that are—the people that benefit from Social Security today have nothing to worry about. You notice I keep saying that. In my line of work, you've got to say the same thing over and over and over again, finally get it to sink in.

But one of the dynamics on the issue is that there's a lot of folks out there who need to pay attention to it who might not be paying attention to the issue. And therefore, Members of the Senate and the House aren't hearing from younger Americans.

And so part of the goal is to remind people that if you're getting your check, you're going to get your check, but if you've got a child coming up, you better start asking the politicians what they're going to do about your child or your grandchild.

[*The discussion continued.*]

The President. Yes, that's why I want to repeat what I said earlier. I believe in ownership. I want people from all walks of life, every background, saying, "This is mine. I own this. I'm going to work my life. I'm going to own this asset. I'm going to pass it on to whomever I want to pass it on to." The more ownership there is in America, the better our future is. The more people can say, "This is my stake. This is my home, my business, my retirement fund, my health care account"—the more people say, "I own this," the more solid the future of America will be.

Have you got something else, because I've just—that was my peroration.

Mr. Stein. No, I was just going to say, it is a basic fact of both political and economic life that societies that have a—in which the ordinary citizen feels he has a stake in the society and isn't just a ward of the state, isn't just a straw in the wind blowing about by the state, are societies that last a long time. And we want this society to last forever, and it will if we have an ownership society.

The President. Absolutely. Go ahead, yes.

Mr. Ferguson. And too, one thing is I want to let you know, and there's been a lot of people that have said in the media that young people just don't care. We started our organization 2 months ago. We have over 100 college campuses, chapters that have said, "We want to be involved in this debate."

The President. That's good, thank you.

Mr. Ferguson. Young people care, and I want to say thank you to you for actually listening to us instead of talking about us.

The President. Well, I appreciate you. If you're interested, I'm sure you've got a web page where people interested in the issue can——

Mr. Ferguson. Yes, you want me to plug it?

The President. Well, yes, you've got the grammar—[*laughter*]——

Mr. Ferguson. It's secureourfuture.org. There you go.

The President. It's like Marketing I, right?

Mr. Ferguson. That's right. I'll give you some money later.

The President. Try it again— secureourfuture——

Mr. Ferguson. Dot org. Right, there you go.

The President. So people can get on the web page, figure out how to help.

Mr. Ferguson. Start a campus chapter.

The President. Get involved in the issue.

Mr. Ferguson. Get involved and be heard.

The President. My final point is, where does a guy get a pair of shoes like that?

Mr. Stein. You can get them at a place called FrontRunners, in Brentwood, California.

The President. Never mind.

Listen, thank you all for coming. God bless.

NOTE: The President spoke at 10:03 a.m. at Montgomery Blair High School. In his remarks, he referred to Mark J. Mackey, president and chief executive officer, and Linda Hollands, vice president, operations, National Association for Variable Annuities, a member organization of the National Retirement Planning Coalition; and Robert C. Pozen, former member, President's Commission to Strengthen Social Security.

Remarks on the Central American-Dominican Republic Free Trade Agreement

June 23, 2005

Thank you all for coming. Please be seated. I want to thank the Democratic and Republican leaders who have come here today to support the Central American-Dominican Republic Free Trade Agreement known as CAFTA. As you can see, there are former Cabinet members of both Republican and Democrat Presidents, former staff members of Republican and Democrat Presidents, people who have said it is time to set aside political differences and focus on this very important trade agreement for the good of our country. And I want to thank you all for coming. I appreciate our visit. I appreciate the chance to hear your point of view about what we need to do together to get this bill passed.

I want to thank the members of my Cabinet who are here. I appreciate you all coming. I particularly want to say thanks to Ambassador Rob Portman, who is the U.S. Trade Representative. He is the point person in the Bush administration to get this bill passed. He's working hard. He's working smart, and with your help and the help of those on the stage, I'm confident that Congress will do the right thing.

The reason we're here is because we share an interest in promoting opportunity and prosperity here at home. All of us understand that strengthening our economic ties with our democratic neighbors is a vital issue of national importance. All of us urge Congress to pass the agreement, because America has an interest in strengthening democracy and advancing prosperity in our hemisphere.

One of the surest ways to strengthen democracy and advance prosperity is by establish a trading system based on clear rules. My predecessors from both parties, former Presidents from both political parties, pursued this goal at all levels—at the global level, at the bilateral level, and at the regional level. Today, CAFTA presents us with an historic opportunity to advance a free and fair trading system that will bring benefits to all sides.

I want to thank the members of the diplomatic corps from Central America who have joined us today. *Los Embajadores, bienvenidos.* Thank you for coming.

These Ambassadors understand what I just said. I said, this trade agreement benefits both sides. It's a good deal for the CAFTA countries, and it's a good deal for America as well.

It's a good deal for America because CAFTA will help level the playing field for our goods and services. Under existing rules, nearly 80 percent of imports from Central America and the Dominican Republic already enter the United States duty free. But U.S. exports into the region face heavy tariffs. Let me repeat that: 80 percent of goods produced in Central America come into our country, come into the United States duty-free. Yet the same isn't—it's not the same for American products.

By passing CAFTA, the United States would open up a market of 44 million consumers for our farmers and small-business people and entrepreneurs. By lowering barriers in key segments like textiles, CAFTA will put our region in a better position to compete with low-cost producers in Asia.

For the young democracies of Central America and the Dominican Republic,